

The Old School

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“Sorry! We are finished for the day,” says Mohan, and then hustles up quickly to wind up the remaining chores of the day. “It is finished,” says Mahesh, and he too gets busy in winding up the process. Both Mahesh and Mohan have witnessed a tumultuous period of handling customers and heavy operational modalities over the last 3 to 4 hours. However, this is their daily routine. It is yet another auspicious day for both. Such has been the ritual for last 60+ years, but it is not only enjoyed by Mohan, Mahesh but many others. Well, it is not late at night for anyone, but just the beginning of the day.

When one reaches this city, which has since the British Raj went through numerous changes, one shall witness a glimpse of authenticity. On the other hand, when one meets Mohan, Mahesh, and the likes — tucked into corners and shacks in narrow lanes crowded with people waiting for their turn to once more just like yesterday or day before, getting an opportunity to satisfy their taste buds, one is surprised by seeing the waiting queue. It is now become a part of their life cycle to visit, “*Sharma Ji Tea Stall*”, “*Narahi Jalebiwala*”, “*Ram Asray Lassiwala*”, “*Bajpayee Kachori Bhandar*”, and many more what one would popularly hear if one happens to be in this city anytime between 7:00 am to about 11:00am and looking to start your day with some lip-smacking breakfast. Alternatively, if one happens to be roaming in this city sometime in the evening, he/she would not like to miss

“*Jain ki Chaat*,” “*Cheddi Lalki cold coffee or juice*,” “*Shuklaki Chaat*,” “*Tunday kabab*” and so on.

Well, it is not just about mouth-watering, taste-bud tantalizing food, but much more, which many businesses in this industry are suffering from except the ones mentioned above and many more like them. It is not just a phenomenon in one city but in every city of the world, even in the one from where one is reading about this right now. If one looks around, he/she shall find such street food joints tucked in the city with people like bees glued to it. However, what is most interesting is that these joints have sustained their business model for at least now three generations, and are still going strong, how? Just a fact some of the names mentioned above may not exist in the social media age even if one made an effort to search them out and probably look for a star rating or trying to book a reservation. So, what is it that these ‘Eponymous Entrepreneurs’¹ old school family businesses teach the Start-up generation about starting and operating a business, but also about how to sustain them beyond one or two generations?

According to William Ellet², there are four types of case situation:

- # Problems
- # Decisions
- # Evaluations
- # Rules

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Problems

The word *problem* refers to something difficult, or troubling. However, the meaning of *problem* as a case situation is very specific: It is a situation in which there is a significant performance, or outcome, but there is no explicit explanation for it. In other words, it is a situation in which something important has happened, and we don't know why and how. For example, in the present case, the old school businesses have been successfully surviving for generations, but we can't figure out exactly how.

Success too can be a problem in the present context. Say, an advertising company specializing in outdoor campaigns operates in three segments – automobiles, personal care and dairy products; but, the case doesn't mention which is the most profitable and why.

Decisions

Nearly all business cases involve decisions. Many decisions are implicit; but many cases are built around a very explicit decision also. On the other hand, some cases have implied decisions. For example, a question like "What is the best strategy the company should pursue in the future?" clearly indicates a decision.

The decisions featured in cases vary greatly in available data, scope, and consequences. A business has to decide to launch a new product, or not; if yes, when, where, how, etc.; to raise funds for the new ventures, or not; to acquire another business, or not; or, to go in for a merger; etc.

Another characteristic of the decision situation is that there is no perfectly correct decision. A good decision is the one that would bring more benefits than costs.

Evaluations

Evaluations show judgments about the worth, or value, of an outcome, or about the

effectiveness of an act, or a performance. It could be regarding the evaluation of an individual, a group, a department, an organization, a country, or a global region. For example, the annual performance review of an employee; or, an assessment of an act, like a decision already taken.

Evaluations require suitable criteria that serve as the standards for assessment. For example, evaluating a company's financial performance over a five-year duration can be done with a host of financial parameters and ratios, but should not be in isolation of the totality of the circumstances portrayed in the case. The figures may show that the company has been going down financially over this time; but, how about the national economy during the same time, and the competition doing comparatively.

Rules

Rules situation exists in almost all areas of business; for example, break-even analysis in marketing is a rule used for calculating profitability; and, finance and accounting largely consist of rules. Rules used in a business situation can provide critical information about the value of a company, say, when in a partnership, and without it, and the way to calculate future cash values. Also, a well-defined set of rules is required to calculate a company's liquidity.

At first glance, these are simple family businesses, operating from an ancient premise and probably one would not notice them when they were shut but are owned by once an ordinary low-income family now regarded as the city's billionaires. In line with the phenomenon of 'utility amplification.' It is primarily about capturing the non-pecuniary considerations that may be a significant driver of the eponymy-performance relationship.³ It sounds like a typical rag to riches thing, but it is not. The following

are few of the things which these family businesses do and have been doing for the last 6 to 7 decades, which provides deep insight for the entrepreneurs of today to reflect.

1. **“Secret Sauce”** – Upon speaking to any customer who visits them consistently you would find hear that you would not find this taste anywhere in the world, because it is the recipe which is the unique thing maintained since the very beginning. The owners have generation after generation have never revealed beyond the family what are the ingredients and the method of preparation of the dishes offered for sale.
2. **Be the Master and not a Jack** – over decades such businesses had never diversified beyond their core product, even when they tried they did not receive much success. Sticking to the core is their priority, and even if one asks them to diversify, they refuse outright. In a way, it reaffirms the famous saying by late Steve Jobs, “....*Many times, people do not know what they want until you show it to them.*” They are not worried about the demand.
3. **Plenty is not good** – another significant thing which these entrepreneurs have done is never go for plenty, have limited supply of the offering and not go to mass scaling of items. Remember the quote of Mahesh and Mohan at the begging of this case; they like to control their supply so that customers demand it even more. The proof is visible as the entire operations of this business last only till the inventory is there, i.e., 3 to 4 hours either in the morning or in the evening. Similar to saying that “*an artist that makes art merely to meet*

demand is a slave to what his patrons want to see, or, hear,” as said by South African writer Mokokoma Mokho-noana.

4. **Focus on “Quality,” not “Fancy”** – when you happen to witness such businesses in their peak hours you as a passer by would not notice any fancy window façade or a flashy glow sign attracting you, instead it is dusty, old, typical minimal infrastructure that you see. Most of them do not even have a signboard above their place. Even the utensils used and the paraphernalia looks as old as the British Raj. They are not the cafes of today with expensive furniture and other fancy paraphernalia. So much so they do not even have seating facility customers just come stand and have the food or take away. The customers are offered food in use and throw plates, cups, which again adds less to their costs. Their only focus is on the quality as till date they have a track record that unless one is ill, one will not get ill having such food from these business outlets. Although there is no survey which reveals this but the only thing which confirms this is that same customer coming a day in day out for more and more.
5. **It’s not about “clicks” and “likes”** – An exciting thing to note is that despite being the third generation in business, social media is not on the radar, it is not about stories, likes, or shares, but only word-of-mouth, which has prevailed as the single technique for their marketing. However, it is no more a popular technique to market one’s business in the start-up circle today; it has been the most effective for the last

half a dozen decades for such entrepreneurs. There is a simple test which can be easily performed in any city, look for the “Sharma jees” in your city, ask anyone what the specialty of this city or place is, one would get the answer. Such entrepreneurs have never tried or invested in any other marketing technique or tool. They are not even concerned about the SEO optimization or Data Analytics; what works for them is their unique food.

6. Competition is welcome – In the city, thousands are doing the same, but it does not impact these pioneers not because they are old in the game but because they have never expanded or diversified. There is only one shop or joint in the entire city, which gives them exclusivity. Many have expanded with multiple outlets or getting into the franchise model, but the quality has suffered. Even, multichain national and international level restaurants have burnt their hands getting into the food segment that these pioneers offer but have failed miserably. Simplicity is the key and to beat one's competition; it is important to be simple and focused.

7. Customer “Essential” Encounter – The key word here is essential, not because it is said that to build better customer relations the customer encounters are essential but also because it needs to be translated into action. Such is the case with these exceptional entrepreneurs. The most important aspect of their service is not charging price upfront for delivering the service, which also speaks about the confidence these businesses exhibit about their quality. Even if in a rare case one feels that the quality is not up to

the mark, it is immediately replaced with no questions asked. Something which they have not learned from the textbooks but has always believed in it since the term is as “service to the family.” Even for their internal customers like waiters, it is a no salary model, meaning thereby only commission driven. The model is very evident when one slows his or her car in front of their shop; a waiter would spring up and quickly provide service with the minimum waiting time. It has been seen that now there is a kind of “waiter loyalty” growing that benefits both the waiter and the customer in terms of more sales and convenience respectively.

So, in terms of eponymy, high-ability entrepreneurs and Eponymous firms have a chance of performing better than other firms in the same industry. Also, such effects will be strengthened when the entrepreneur's name is rare. Thus, It is too easy to miss the “specialty food” of these city outlets amongst the big multi-cuisine restaurants and mall culture of any metropolitan city. It is easy to mistake the long queues for any government office queue, it is easy to ignore the tiny outlet situated in the heart of the city amongst the daily hustle and bustle, but one thing that should not be ignored is the way business is done OLD SCHOOL style.

FOOTNOTES

1. Belenzon, S., Chatterji, A. K., & Daley, B. (2017). Eponymous entrepreneurs. *American Economic Review*, 107(6), 1638-55.
2. The Case Study Handbook: How to Read, Discuss, and Write Persuasively about Cases (Boston: Harvard Business School Press, 2007) page 20.
3. Op. cit.